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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY USSR

SUBJECT Offer to Purchase Large Quantities of US
Dried Skim Milk

PLACE ACQUIRED
(BY SOURCE) -----

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DATE ACQUIRED
(BY SOURCE)

DATE (OF INFO.) 23 Mar 54

CAS NO.

OCI NO.

DATE DISTR. 9 APR 54

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25X1X 1. [redacted] a broker in agricultural products from [redacted] informed me that he had been commissioned by the USSR to attempt to purchase 100 thousand tons of dried skim milk from the US for prompt shipment to the USSR.

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2. This broker stated that the dried skim milk was intended for human consumption, and not for animal feed, as it is used primarily in Western Europe; for this reason, the USSR was willing to pay higher than standard prices in order to satisfy her quick consumption needs.
3. He further stated that following this, Soviet demands for the long pull would be fats and oils, primarily.

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Finally this broker claimed that if successful, he intended to finance the transaction as follows; the dried skim milk would be purchased by [redacted] which would provide the dollars, and then barter this commodity to the USSR. An alternate method would be to sell the milk to [redacted] again, [redacted] would provide the dollars for the transaction, and accept back marks from [redacted]. The latter, in all probability, would receive a good grade of durum wheat from the USSR on a barter basis for the milk, with as a substitute, Manchurian soybeans which are presently available for shipment from the USSR via Poland into Western Europe.

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6-12/727-61 N(V)
10-12/724.11 N(DM)(QF)
10-12/7244 N(DM)(QF)

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DISTRIBUTION	STATE	ARMY	NAVY	AIR	FBI				
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